

House File 197 - Introduced

HOUSE FILE _____
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 49)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to child support enforcement including
2 withholding of an employee's compensation by an employer for
3 support of a child under a support order, the required
4 establishment of a personal account for self-employed child
5 support obligors, and protection of child support information,
6 providing a penalty, and providing an effective date.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
8 TLSB 1666HV 83
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1 1 DIVISION I
1 2 WITHHOLDING OF EMPLOYEE COMPENSATION
1 3 Section 1. Section 252D.18A, subsection 4, Code 2009, is
1 4 amended to read as follows:
1 5 4. The payor shall identify and report payments by the
1 6 obligor's name, account number, amount, and date withheld
1 7 pursuant to section 252D.17. ~~Until October 1, 1999, if~~
~~1 8 payments for multiple obligees are combined, the portion of~~
~~1 9 the payment attributable to each obligee shall be specifically~~
~~1 10 identified. Beginning October 1, 1999, if~~ If payments for
1 11 multiple obligees are combined, the portion of the payment
1 12 attributable to each obligee shall be specifically identified
1 13 only if the payor is directed to do so by the child support
1 14 recovery unit.
1 15 Sec. 2. Section 252E.5, subsection 3, Code 2009, is
1 16 amended to read as follows:
1 17 3. The employer shall withhold from the employee's
1 18 compensation, the employee's share, if any, of premiums for
1 19 the health benefit plan in an amount that does not exceed the
1 20 amount specified in the national medical support notice or
~~1 21 order~~ or the amount specified in 15 U.S.C. } 1673(b) and which
1 22 is consistent with federal law. The employer shall forward
1 23 the amount withheld to the insurer.
1 24 Sec. 3. 2007 Iowa Acts, chapter 218, sections 162 and 167,
1 25 are repealed.

1 26 DIVISION II
1 27 SELF=EMPLOYED OBLIGORS
1 28 Sec. 4. NEW SECTION. 252B.28 SELF=EMPLOYED OBLIGORS ==
1 29 ORDER FOR ESTABLISHMENT OF ACCOUNT == PENALTY.
1 30 1. a. If support payments owed by an obligor are
1 31 delinquent in an amount equal to the payment for one month,
1 32 the child support recovery unit may file a motion with the
1 33 district court to order an income provider to utilize an
1 34 existing single-owner personal account for obtaining support
1 35 payments, or, if such an account is not provided, to establish
2 1 a bank or other financial institution account for the sole
2 2 purpose of obtaining support payments owed by the obligor.
2 3 b. Notice shall be served on the obligor or other income
2 4 provider by regular mail and proof of service completed
2 5 according to rule of civil procedure 1.442.
2 6 c. If a hearing is not requested within ten days of
2 7 service of the notice, the court may enter an order under this
2 8 subsection. The order shall specify the amount of the
2 9 compensation that is to be deposited into such account and the
2 10 frequency with which such deposits are to be made.
2 11 d. Within ten days of the issuance of the order under this
2 12 subsection, the income provider shall provide the unit with
2 13 written authorization for the unit to receive from such

2 14 account, by automatic withdrawal, the amount ordered to be
2 15 deposited into such account.
2 16 e. The court may provide a method for timely increase or
2 17 decrease of the amounts to be deposited or withdrawn and shall
2 18 specify the duration of the order. The order shall be subject
2 19 to modification due to a change in the amount of the support
2 20 order or a delinquency, or if the unit will no longer be
2 21 providing services under this chapter.

2 22 2. Failure to utilize the existing or to establish an
2 23 account or to deposit the required amount into the account or
2 24 to authorize automatic withdrawal of the required amount by
2 25 the unit is failure to comply with an order entered under
2 26 subsection 1, which is punishable as contempt.

2 27 3. This section shall be construed to furnish an
2 28 additional remedy and shall in no way affect or impair any
2 29 other remedy, civil or criminal, provided in any other statute
2 30 and available to the unit in relation to the same subject
2 31 matter, and shall not relieve an income provider of a duty
2 32 under any other chapter.

2 33 4. For purposes of this section:

2 34 a. "Income provider" means any of the following:

2 35 (1) A self-employed obligor. As used in this
3 1 subparagraph, "self-employed" means earning at least a portion
3 2 of the individual's income directly from the individual's own
3 3 business, trade, or profession rather than as a specified
3 4 salary or wages from an employer.

3 5 (2) A partnership or corporation from which an obligor
3 6 receives compensation in the form of wages, salary,
3 7 commissions, bonuses, or other income, if the obligor is a
3 8 partner, owner, or officer of the partnership or corporation.

3 9 (3) A partnership or corporation from which a partnership
3 10 or corporation specified in subparagraph (2) receives
3 11 compensation in the form of wages, salary, commissions,
3 12 bonuses, or other income.

3 13 b. "Support payments" means the same as in section
3 14 252D.16.

3 15 DIVISION III

3 16 CHILD SUPPORT ENFORCEMENT INFORMATION

3 17 Sec. 5. Section 252B.5, subsection 9, paragraph b,
3 18 unnumbered paragraph 1, Code 2009, is amended to read as
3 19 follows:

3 20 ~~Notwithstanding section 252B.9, the~~ The unit may forward
3 21 information to the department of administrative services as
3 22 necessary to implement this subsection, including but not
3 23 limited to both of the following:

3 24 Sec. 6. Section 252B.9, subsection 2, unnumbered paragraph
3 25 1, Code 2009, is amended to read as follows:

3 26 Notwithstanding other statutory provisions to the contrary,
3 27 including but not limited to chapters 22 and 217, as the
3 28 chapters relate to confidentiality of records maintained by
3 29 the department, the payment records of the collection services
3 30 center maintained under section 252B.13A ~~are public records~~
3 31 ~~may be released, except when prohibited by federal law or~~
3 32 ~~regulation, only as follows:~~

3 33 Sec. 7. Section 252B.9, subsection 2, paragraph a, Code
3 34 2009, is amended to read as follows:

3 35 a. Payment records of the collection services center ~~which~~
4 1 ~~are maintained pursuant to chapter 598 are public records and~~
4 2 ~~may be released upon request, for the administration of a plan~~
4 3 ~~or program approved under Title IV, XIX, or XXI of the federal~~
4 4 ~~Social Security Act, as amended, and as otherwise permitted~~
4 5 ~~under Title IV=D of the federal Social Security Act, as~~
4 6 ~~amended. Payment records of the clerk of the district court,~~
4 7 ~~to which the department has access to meet the requirements of~~
4 8 ~~a state disbursement unit, are also public records and may be~~
4 9 ~~released upon request. A payment record shall not include~~
4 10 address or location information.

4 11 Sec. 8. Section 252B.9, subsection 2, paragraph b,
4 12 unnumbered paragraph 1, Code 2009, is amended to read as
4 13 follows:

4 14 ~~Except as otherwise provided in subsection 1, the~~ The
4 15 department ~~shall not~~ may release details related to payment
4 16 records or provide alternative formats for release of the
4 17 information, ~~with the following additional exceptions for the~~
4 18 ~~administration of a plan or program under Title IV=D of the~~
4 19 ~~federal Social Security Act, as amended, including as follows:~~

4 20 Sec. 9. Section 252B.9, subsection 2, paragraph b,
4 21 subparagraph (1), Code 2009, is amended to read as follows:

4 22 (1) The unit or collection services center may provide
4 23 ~~additional~~ detail or present the information in an alternative
4 24 format to an individual or to the individual's legal

4 25 representative if the individual owes or is owed a support
4 26 obligation, to an agency assigned the obligation as the result
4 27 of receipt by a party of public assistance, to an agency
4 28 charged with enforcing child support pursuant to Title IV-D of
4 29 the federal Social Security Act, as amended, or to the court.
4 30 Sec. 10. Section 252B.9, subsection 3, paragraph e, Code
4 31 2009, is amended to read as follows:
4 32 e. Information may be released if directly connected with
4 33 any of the following:
4 34 (1) The administration of ~~the~~ a plan or program approved
4 35 under Title I, IV-A, IV-B, IV-D, IV-E, X, XIV, XVI, IV, XIX,
5 1 or ~~XX XXI~~, or the supplemental security income program
~~5 2 established under Title XVI, of the federal Social Security~~
5 3 Act, as amended.
5 4 (2) Any investigations, prosecutions, or criminal or civil
5 5 proceeding conducted in connection with the administration of
5 6 any such plan or program.
5 7 ~~(3) The administration of any other federal or federally~~
~~5 8 assisted program which provides assistance in cash or in kind~~
~~5 9 or provides services, directly to individuals on the basis of~~
~~5 10 need.~~
5 11 ~~(4)~~ (3) Reporting to an appropriate agency or official of
~~5 12 any such plan or program~~, information on known or suspected
5 13 instances of physical or mental injury, sexual abuse or
5 14 exploitation, or negligent treatment or maltreatment of a
5 15 child who is the subject of a child support enforcement action
5 16 under circumstances which indicate that the child's health or
5 17 welfare is threatened.
5 18 Sec. 11. Section 252B.9, subsection 3, paragraph g, Code
5 19 2009, is amended to read as follows:
5 20 g. The child support recovery unit ~~shall~~ may release
5 21 information ~~relating to an absent parent to another unit of~~
~~5 22 the department pursuant to a written request for the~~
~~5 23 information approved by the director or the director's~~
~~5 24 designee for the administration of a plan or program approved~~
~~5 25 under Title IV, XIX, or XXI of the federal Social Security~~
~~5 26 Act, as amended, specified under subsection 2 or this~~
~~5 27 subsection, to the extent the release of information does not~~
~~5 28 interfere with the unit meeting its own obligations under~~
~~5 29 Title IV-D of the federal Social Security Act, as amended, and~~
~~5 30 subject to requirements prescribed by the federal office of~~
~~5 31 child support enforcement of the United States department of~~
~~5 32 health and human services.~~
5 33 Sec. 12. Section 252B.9A, subsection 1, Code 2009, is
5 34 amended to read as follows:
5 35 1. A person, except a court or government agency, who is
6 1 an authorized person to receive specified confidential
6 2 information under 42 U.S.C. } 653, may submit a written
6 3 request to the unit for disclosure of specified confidential
6 4 information regarding a nonrequesting party. The written
6 5 request shall comply with federal law and regulations,
6 6 including any evidence and any payment to the federal office
6 7 of child support enforcement of the United States department
6 8 of health and human services required by federal law or
6 9 regulation, and shall include a sworn statement attesting to
6 10 the reason why the requester is an authorized person under 42
6 11 U.S.C. } 653, including that the requester would use the
6 12 confidential information only for purposes permitted in that
6 13 section.
6 14 Sec. 13. Section 252G.5, subsections 2 and 3, Code 2009,
6 15 are amended to read as follows:
6 16 2. State agencies as specified under 42 U.S.C. } 653A
6 17 which utilize income information for the determination of
6 18 eligibility or calculation of payments for benefit or
6 19 entitlement payments unless prohibited under federal law.
6 20 3. State agencies ~~which utilize income information for the~~
~~6 21 recoupment of debts to the state operating employment security~~
~~6 22 and workers' compensation programs for the purposes of~~
~~6 23 administering such programs~~ unless prohibited under federal
6 24 law.
6 25 Sec. 14. Section 598.22, subsection 3, Code 2009, is
6 26 amended to read as follows:
6 27 3. An order or judgment entered by the court for temporary
6 28 or permanent support or for income withholding shall be filed
6 29 with the clerk. The orders have the same force and effect as
6 30 judgments when entered in the judgment docket and lien index
6 31 and are records open to the public. Unless otherwise provided
6 32 by federal law, if it is possible to identify the support
6 33 order to which a payment is to be applied, and if sufficient
6 34 information identifying the obligee is provided, the clerk or
6 35 the collection services center, as appropriate, shall disburse

7 1 the payments received pursuant to the orders or judgments
7 2 within two working days of the receipt of the payments. All
7 3 moneys received or disbursed under this section shall be
7 4 entered in records kept by the clerk, or the collection
7 5 services center, as appropriate, ~~which and the records kept by~~
7 6 ~~the clerk~~ shall be available to the public. The clerk or the
7 7 collection services center shall not enter any moneys paid in
7 8 the record book if not paid directly to the clerk or the
7 9 center, as appropriate, except as provided for trusts and
7 10 federal social security disability payments in this section,
7 11 and for tax refunds or rebates in section 602.8102, subsection
7 12 47.

7 13 Sec. 15. Section 598.26, subsection 1, Code 2009, is
7 14 amended to read as follows:

7 15 1. Until a decree of dissolution has been entered, the
7 16 record and evidence shall be closed to all but the court, its
7 17 officers, and the child support recovery unit of the
7 18 department of human services pursuant to section 252B.9.
7 19 However, the payment records of a temporary support order,
7 20 ~~whether maintained by the clerk of the district court or the~~
7 21 ~~department of human services,~~ are public records and may be
7 22 released upon request. Payment records shall not include
7 23 address or location information. No other person shall permit
7 24 a copy of any of the testimony, or pleading, or the substance
7 25 ~~thereof of any testimony or pleading,~~ to be made available to
7 26 any person other than a party to the action or a party's
7 27 attorney. Nothing in this subsection shall be construed to
7 28 prohibit publication of the original notice as provided by the
7 29 rules of civil procedure.

7 30 Sec. 16. EFFECTIVE DATE. This division of this Act takes
7 31 effect March 23, 2009.

7 32 DIVISION IV

7 33 CHILD SUPPORT RECOVERY UNIT DISBURSEMENT FEES

7 34 Sec. 17. Section 252B.5, subsection 13, paragraph a, Code
7 35 2009, is amended to read as follows:

8 1 a. Beginning October 1, 2007, implement the provision of
8 2 the federal Deficit Reduction Act of 2005, Pub. L. No. 109=171
8 3 } 7310, requiring an annual collections fee of twenty=five
8 4 dollars in child support cases in which the family has never
8 5 received assistance under Title IV=A of the federal Social
8 6 Security Act for whom the unit has ~~collected~~ disbursed at
8 7 least five hundred dollars. ~~After When~~ the first five hundred
8 8 dollars in support is ~~collected~~ disbursed in each federal
8 9 fiscal year for a family, the fee shall be collected from the
8 10 obligor obligee by retaining twenty=five dollars from
8 11 ~~subsequent collections disbursements to the obligee.~~ If five
8 12 hundred dollars but less than five hundred twenty=five dollars
8 13 is ~~collected~~ disbursed in any federal fiscal year, any unpaid
8 14 portion of the annual fee shall not accumulate and is not due.
8 15 ~~Any amount retained to pay the twenty-five dollar fee shall~~
8 16 ~~not reduce the amount of support due under the support order.~~
8 17 The unit shall send information regarding the requirements of
8 18 this subsection by regular mail to the last known address of
8 19 an affected ~~obligor or~~ obligee, or may include the information
8 20 for an obligee in an application for services signed by the
8 21 obligee. In addition, the unit shall take steps necessary
8 22 regarding the fee to qualify for federal funds in conformity
8 23 with the provisions of Title IV=D of the federal Social
8 24 Security Act, including receiving and accounting for fee
8 25 payments, as appropriate, through the collection services
8 26 center created in section 252B.13A.

8 27 Sec. 18. Section 252B.5, subsection 13, paragraph c, Code
8 28 2009, is amended by striking the paragraph.

8 29 EXPLANATION

8 30 Division I of this bill relates to withholding of an
8 31 employee's compensation by an employer for the purposes of
8 32 paying support payments and the premiums for a health benefit
8 33 plan to provide coverage for a child of the employee under a
8 34 support order. The division eliminates language currently
8 35 only published in the 2007 Iowa Acts, that would have taken
9 1 effect July 1, 2009, directing an employer to allocate funds
9 2 in a specific manner if an obligor was responsible for more
9 3 than one support obligation and the employee did not have
9 4 sufficient compensation available to meet the employee's share
9 5 for all such obligations. In place of the repealed
9 6 provisions, the division amends current law only by adding a
9 7 reference to an order as well as a notice in specifying the
9 8 amount of the employee's compensation to be withheld and by
9 9 eliminating language that is no longer necessary due to
9 10 passage of the dates referenced.

9 11 Division II of the bill provides for the required use of an

9 12 existing or establishment of a new single-owner personal
9 13 account for the sole purpose of obtaining support payments
9 14 owed by a child support obligor. If an obligor's support
9 15 payments are delinquent in an amount equal to payment for one
9 16 month, the child support recovery unit may file a motion with
9 17 the district court to order the use or establishment of such
9 18 an account. The provisions apply to income providers
9 19 including a self-employed obligor; a partnership or
9 20 corporation from which an obligor receives compensation if the
9 21 obligor is a partner, owner, or officer of the partnership or
9 22 corporation; or a partnership or corporation from which such a
9 23 partnership or corporation receives compensation. The
9 24 division specifies notice provisions, the provisions to be
9 25 included in an order, and provisions relating to modification
9 26 of the order. Failure to utilize or establish the account or
9 27 to authorize automatic withdrawal of the required account, as
9 28 specified, is punishable as contempt. The remedy provided in
9 29 the division is in addition to but does not affect or impair
9 30 any other remedy available or relieve an income provider of
9 31 any other duty specified by law.

9 32 Division III of the bill amends provisions regarding the
9 33 use and disclosure of confidential information relating to
9 34 child support enforcement in accordance with new federal
9 35 regulations. The division, in accordance with these federal
10 1 regulations, restricts the use and disclosure of such
10 2 information, including payment records, to only the
10 3 administration of the child support program under Title IV=D
10 4 of the federal Social Security Act, and to provide information
10 5 to other government agencies for programs under Title IV
10 6 [temporary assistance for needy families, family investment
10 7 program, and child welfare], Title XIX (Medicaid), and Title
10 8 XXI (state children's health insurance program) of the federal
10 9 Social Security Act. The division also requires evidence that
10 10 a person is authorized under federal law in order to access
10 11 parent locator services, and limits the government agencies
10 12 that may have access to the Iowa central employee registry.

10 13 The division takes effect March 23, 2009, the date the new
10 14 federal regulations are effective.

10 15 Division IV of the bill relates to the annual collections
10 16 fee imposed in child support cases as required under the
10 17 federal Deficit Reduction Act of 2005. The imposition of the
10 18 fee became effective October 1, 2007, and applies only to
10 19 cases in which the family has never received assistance under
10 20 Title IV=A of the federal Social Security Act and only if
10 21 child support is collected or disbursed in the amount of \$500
10 22 or more. Current law imposed the fee after the first \$500 of
10 23 support was collected by the child support recovery unit and
10 24 the fee was collected from the obligor. Under the bill, the
10 25 fee is only imposed on a family for whom the child support
10 26 recovery unit has disbursed at least \$500 in support in each
10 27 federal fiscal year, and is to be collected from the obligee
10 28 by retaining \$25 from disbursements to the obligee.

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